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The Daily Capital Journal

THIRTY-EIGHTH YEAR

SALEM, OREGON, MONDAY, AUGUST 30, 1915

PRICE TWO CENTS ON TRAINS AND NEWS STANDS—FIVE CENTS

ANOTHER REPORT IS RECEIVED BY LANSING TODAY

Cable From Ambassador Gerard Is Not Made Public

ACKERMAN EXPLAINS VIEW OF GERMANY

Meanwhile President Wilson Is Studying English Ship- ping Problem

By C. P. Stewart.

Washington, Aug. 30.—Another communication regarding the Arabic reached the state department today from Ambassador Gerard. It is believed to have contained an account of the admiralty's progress in getting news from the submarine commander who is supposed to have torpedoed the liner.

Secretary Lansing did not make the message public, saying it threw no fresh light on the situation.

The United Press dispatch from Carl W. Ackerman in Berlin stating that Admiral Von Tirpitz had joined the imperial chancellor and Foreign Minister Von Jagow in favoring an early adjustment of differences with the United States was received with the greatest satisfaction here today.

If Von Tirpitz thinks, however, that the administration will not insist upon a disavowal in case it is shown the Arabic was torpedoed, he is mistaken, it was stated.

The official view here is that Chancellor Von Bethmann-Hollweg's influence will now be predominant, however, and that he will have his way in any case. It was also judged from the Ackerman story that Admiral Von Tirpitz, himself, will not stand out against a disavowal if he is convinced of its necessity.

Earlier in the day Presidential Secretary Tammly said additional reports as to the Arabic and the general submarine controversy were expected. Following the receipt of Ambassador Gerard's message the secretary conferred with President Wilson for some time. He said they talked over matters which have been accumulating during the last three weeks.

It was believed part of the discussion was given over to renewed consideration of the Mexican problem.

The English Question

While awaiting formal notice from Berlin of acceptance of the American position in the submarine warfare, President Wilson is overhauling various tentative drafts of a message this administration plans to send to London in protest against the British order in council and placing cotton on the contraband list.

It is understood that if Germany expresses itself in the manner expected, the note to England will be ready and with practically no changes will be transmitted to London with but little delay.

In effect the new communication to Great Britain will be as energetic, though as courteous, as the administration can make it, it was authoritatively stated today.

The note will not go quite to the extent of saying that further interference with American commerce will be regarded as deliberately unfriendly, it was said, as the administration holds that the stage in the negotiations has not as yet reached this attitude. As Germany was told that further violation of American rights on the seas would be regarded as "deliberately unfriendly," however, it is understood that if the coming communication to England is not effective an intimation substantially to this effect will be conveyed to the British Foreign office with regard to interference with American cargoes.

President Wilson hopes the forwarding of such an intimation will not be necessary. It is known he believes it extremely possible that England will be willing to make important concessions when informed what the administration hopes to be able to do, that Germany will modify the submarine warfare.

Whether this will open the way for the United States to tender its good offices for further steps of peace will depend upon developments which cannot be predicted accurately, it was stated today. That such a development is deemed possible, however, is definitely known.

Report Is Expected.

Washington, Aug. 30.—A report on the sinking of the Arabic and a general submarine communication is expected from Germany "at any time," Presidential Secretary Tammly said today.

The German View.

(By Carl W. Ackerman)
Berlin, via The Hague, Aug. 30.—Grand Admiral Von Tirpitz believes

Sofia Is Most Important Capital in Europe Now

By Henry Wood.

(United Press staff correspondent.)

Sofia, Bulgaria, Aug. 2.—(By mail.)

—From the spick and span, but none the less modest little Balkan capital, Sofia has become the center of the world's greatest lobby, and the lobby for the greatest thing in the world—victory in the present war.

By the vast attitudes of the present great European conflict and her peculiar geographical position Bulgaria has come more than any one other to hold an influence over the future destinies of all Europe.

Were Bulgaria suddenly to join the allies, and falling on the back of Turkey, capture Constantinople from the rear, the allies could at last pass the Dardanelles and carry to Russia the help in supplies and munitions that might quickly turn the whole current of the war in their favor.

If Bulgaria continues neutral, the possibility of the capture of Constantinople from the Chatalpa line is removed and the eventual passage of the Dardanelles is not rendered impossible will be so indefinitely delayed as to enable Germany in the meantime to follow up her successes against Russia and turn the whole current in her favor.

This, at least, is the way the great European powers now involved in the conflict view the situation and that is why the lobby is here.

In Europe they do not call it lobbying. It passes under the more polite term of diplomacy. In reality, however, there is not a method nor a tactic known to the most common or the most distinguished lobbyist at Washington or any American state capital that is not being used to win over the various members of the Bulgarian cabinet, the members of parliament, the political leaders, the heads of the army and even Czar Ferdinand, the Queen and the crown prince themselves. It may be that diplomacy and lobbying are merely the European and the American terms for the one and the same thing or it may be that the issue at stake is so great that the exalted and dignified diplomacy of Europe has been reduced to the methods and practices of the vulgar and most common of American lobbyists.

The lobby is naturally divided into two great camps, that of Germany, Austria and Turkey, and that of France, England, Russia, Italy and Serbia. To the regularly accredited diplomatic representatives of these countries there has been added a whole army of special diplomatic and other agents, every one of whom has been selected with an eye to his special qualifications either for winning over some special individual or for wielding some special influence on the Bulgarian government as a whole.

Both camps have now made more or less concrete propositions to Bulgaria. Germany, Austria and Turkey have told her that if she will remain neutral till the end of the war they will give her all of Serbia, Macedonia, which after all is the one thing Bulgaria most desires. This offer presumes a final victory for Germany in which event Serbia would become an Austrian province and would have nothing to say as to the disposition of her territory. Minor inducements also have been included in the German offer.

The allies on their part in exchange for Bulgaria's participation in the war and her capture of Constantinople from the rear have offered:

PEACE SEEMS NEAR IN WAR-TORN EUROPE

England Getting Anxious For Peace and Germany Not Unwilling

(By J. W. T. Mason.)

(Written for the United Press.)

New York, Aug. 30.—The possibility of peace is now nearer than at any time since the outbreak of the war. Only a small incident is needed to open the way to negotiations that may result in an armistice.

The first steps toward lessening the tension have undoubtedly been taken by Germany and England. The powerful anti-annexationist movement in Belgium, and Sir Edward Grey's admission that the freedom of the seas is a negotiable matter of peace, if settlement of the submarine controversy of the United States can be extended to include an agreement between England and Germany for mutual limitation of sea activity, chances favor an early peace.

Germany wants peace, openly, though, of course not a humiliating peace. Until Foreign Minister Grey's statement of last week, England would have nothing to say to the ending of the war.

Since then, however, there can be no doubt that peace has begun to appear possible to influential Englishmen. The fact is delicately announced by F. W. Hirst, editor of the London Economist, who declares Grey's statements regarding improved treatment of prisoners and Germany's modified methods of submarine warfare suggest a letting down of tension for "high diplomatic purposes," means, of course, peace.

"In America we are permitting this deadly war by allowing your money lenders to control you. The laboring class could stop this war," he said.

"I predict that England, France and Russia will refuse recognition of war debts when the conflict is over. It will cause the greatest panic ever known in the United States, but it will come to pass."

1. The bulk of what remains of the Turkish empire in Europe including the city of Adrianople which the Bulgarians captured in the first Balkan war but lost in the second.

2. Portions of Serbian Macedonia which Serbia, it is hoped, at the request of the allies will cede.

3. The best efforts of the allies to secure from Greece and Rumania the cession of those territories which were taken from Bulgaria at the close of the second Balkan war.

In response to these offers Bulgaria has frankly admitted she is in the market not necessarily to the higher bidder but to the one who will give her the most solid guarantees that the promises made will be carried out; or, rather, she demands, that in as far as possible, her compensation be given her in advance in order that there be no short change operations after the war such as she alleges were perpetrated at the close of the Balkan wars. She has expressed her readiness to treat with both sides and it is this open, receptive attitude that has resulted in the massing her of the great lobby.

In the meantime the activities of these lobbyists would be an eye opener to the most hardened Washington veteran. To all of the well known American methods have been added all the fine ones perfected during the last half century by European diplomacy.

Naturally that of the press plays one of the most important, if sometimes ridiculous parts. Every day the English and French lobbyists come out with a bunch of official communications telling of smashing advances by the allies troops in the campaign at Gallipoli. With equal hurrahs the Turkish lobby comes out with equally as flamboyant announcements showing that the allied army at Gallipoli is in exactly the same position it was the day it disembarked and equally as powerless to advance as it is to retreat and he taken off by the ships. It can be safely said that no one at Sofia has the remotest idea of the actual status of the present operations against the Dardanelles. On the day I arrived here direct from the Dardanelles I fancied I knew how things were going but two days after my arrival the lobbyists had not in their fine work and I haven't the least idea.

Naturally the decision of Bulgaria is of the most supreme importance to Turkey. In order to carry on her present effective resistance, at the Dardanelles Turkey has denuded the rest of her territory of cannon and troops. Bulgaria's decision to attack her from the rear would be tantamount to the end of Turkey in Europe. Not content with sending her his best diplomats and lobbyists, Talat Bey, the minister of the interior, and the most powerful man in all Turkey today has recently visited Sofia in person in an effort to solidify an understanding.

On all sides the German lobby is admitted to have one great thing in its favor. It is not necessary to persuade Bulgaria to remain neutral. The ally can be attained by merely keeping Bulgaria in such a state of indecision that before she can come to a conclusion the moment when her help would have been most effective will have passed and her actual help to the allies rendered of little if of any value. It is the impression in outside circles at Sofia that Bulgaria is going to have a mighty hard time to find out what would be best for her to do and a harder time, after she has found out, actually what to do.

overtures for peace negotiations. Peace now would leave the allies baffled in their efforts to capture Constantinople, but it is by no means certain there is much enthusiasm in the west for the project of continuing to throw away lives in order to make a present of the Dardanelles to defeated Russia.

The capture of Constantinople would enhance England's military reputation, but as events now stand, England does not really need a victory over the Turks for prestige. Economic pressure brought on Germany by the British fleet, and the capture of the German colonies by the British are factors that will prevent the allies from being overwhelmed with humiliation when negotiations begin. England, therefore, can afford to talk peace. She has saved the allies. This is doubtless the argument which is being used quietly in England. A little more of it and a peace congress will be in session.

Irish Dock Worker Is Against England

Seattle, Wash., Aug. 30.—Applause greeted the declaration, Sunday night, of James Larkin, leader in the Irish dock workers' strike, that the laborers of Ireland are not in sympathy with England in the present war.

Larkin spoke to a large audience in Dreamland pavilion. He urged the general organization of all labor conventions into one great scale of wages. He declared that neither the working people of England or of Germany wanted war, and told of 152 strikes that have occurred in Germany since the beginning of hostilities.

"In America we are permitting this deadly war by allowing your money lenders to control you. The laboring class could stop this war," he said.

"I predict that England, France and Russia will refuse recognition of war debts when the conflict is over. It will cause the greatest panic ever known in the United States, but it will come to pass."

STRIKE OF MINERS IN WELSH FIELDS MAY BE GENERAL

Leaders of Men Say Two Hundred Thousand May Walk Out

FIGHT FOR RECOGNITION OF CLAIMS IS PREDICTED

Executive Committee Wants Men To Work Until Decision Is Reached

London, Aug. 30.—A general coal strike throughout Wales involving all of the 200,000 mine workers was predicted by the miners' officials here today unless the dispute over the recent arbitration award is settled immediately.

Members of the miners' federation made their prediction following a conference with Minister of Munitions Lloyd George. Later the miners met with Walter Runciman, president of the board of trade, but no announcement was made of progress toward an agreement. The government's officials were to meet with the operators, following their session with the representatives of the miners.

Advices today brought word of 3,000 miners in Monmouthshire returning to work in response to the appeal of the executive council, but mass meetings were held throughout Wales yesterday in which the mine workers declared their intention of fighting to the end for recognition of their claims.

At all of these mass meetings attacks were widely cheered in which the mine owners were charged with nothing but profits as a result of the war, and accused of failing to share these profits with the workers. The arbitration award through which Lloyd George brought the Welsh strike to an end was roundly denounced. A majority of the meeting adopted resolutions in favor of ordering a walkout Wednesday if no agreement is reached in the conferences now in progress with the government.

Some hope was aroused in government circles that the union leaders may prevail upon the men not to quit the mines as a result of the Monmouthshire workers returning. The executive council has urged the miners to remain at work pending the efforts of the federation representatives to bring about a settlement.

BASE BALL TODAY

No American league games scheduled. All National league games except St. Louis-Philadelphia postponed on account of rain or wet grounds.

National	R.	H.	E.
St. Louis	3	10	2
Philadelphia	4	12	1
Meadows and Snyder; Alexander and Kilfer. Mayer replaced Alexander. (10 innings.)			
Federal	R.	H.	E.
Brooklyn	1	8	0
Buffalo	2	6	2
Pinneran and Land; Krapp and Blair.			
Chicago	4	13	1
Pittsburg	7	15	0
Brown and Wilson; Barger and Berry.			

VICTIM OF MOSQUITOES

Belleville, N. J., Aug. 30.—Louis L. Reiss, a camper, broke his ankle and before he could crawl a half mile to the near aid, New Jersey mosquitoes had bitten him into insensibility. He was found just in time to assure his recovery.

Seattle Post-Intelligencer: Over 200 German newspapers have suspended since the war started. All of the London newspapers have reduced their size. The Paris newspapers which survive are mere skeletons. Wars are highly profitable to the newspaper business. Nit.

THE WEATHER

Oregon: To-night fair, not so warm east portion; Tuesday fair, not so warm except near the coast; westerly winds.



INVENTOR'S POLISH FAITH

Los Angeles, Cal., Aug. 30.—Percy Terry, an inventor, is dead today because he had too much faith in a mixture which he believed would make his skin tough enough to turn a bullet. He smeared the concoction on his face, the police say, and then shot at himself with a rifle. Half his face was torn away. Friends of Terry say he had great faith in the skin toughening mixture, which was designed to make soldiers bullet proof.

PHYSICAL FORCE NOT EFFECTIVE AS REMEDY

LUKE GRANT REVIEWS CONFLICT BETWEEN IRON WORKERS AND THEIR EMPLOYERS

Chicago, Aug. 30.—"Application of physical force will neither establish nor maintain fair relations between employers and employees."

This is the outstanding conclusion reached by Luke Grant on the controversy between the National Erectors' association and Bridge and Structural Iron Workers in a report made by the industrial relations commission.

"Many instances may be cited in the industrial world," the report declared, "where the use of physical force has for a time, was advantage for the side that has used it. Such gains, however, are temporary and do not make for permanent industrial peace."

Grant held that abuse of power was not always on the side of the employer and declared that where unions are in complete control, abuses are as apt to develop as when the employers exercise absolute power.

"In the iron workers' controversy there was too much of an uncompromising attitude shown on both sides," the report declared. "There was too much of the spirit of wishing to do certain things because of possessing the power to do them."

The report goes into the history of the conflict between the Erectors' association and Iron Workers' union in detail and holds that the Los Angeles Times explosion did not involve "the latter except that the explosion was perpetrated by one of the agents who had been made use of by officials of this union in causing other explosions."

"The union has believed throughout that it was in a fight for existence," the report declares. "That, in a large measure, is true. It does not conflict with the statement that the union was on the aggressive that the union was the defensive. The open shop policy, as understood and practiced by the National Erectors' association, means the destruction of the union."

"Open shop firms will deny that statement and point to the fact that they are employing union men. They are, but not as union men. The open shop employers do not recognize the right of their employees to bargain collectively."

"If the union resorted to unfair and unlawful methods in the prosecution of the fight, the employers were in a degree responsible. The system of espionage which they maintained in local unions, before and after the outbreak of hostilities, did much toward creating and preserving the spirit of the hostility which made the destruction of property possible."

"It has been shown that the employers maintained a system of espionage in local unions at a time when they were working under contracts with such unions. That does not indicate that they signed the agreements in good faith."

"The employment of spies by the employers was as indefensible as was the resort to dynamite and the destruction of property by the iron workers, although one was within the law and the other was not. The system of espionage was established years before the campaign of destruction began. It cannot, therefore, be urged in defense of the system that it was made necessary because of the outrages that were being committed."

Reviewing the entire controversy Grant declares the iron workers first displayed an uncompromising attitude. The American Bridge company, he said, offered to meet substantially the demands made, but the Philadelphia convention added a new demand. Later, when the union was ready to compromise, the bridge company became uncompromising and refused to confer with the union representatives. The iron workers' union's claims of jurisdiction of work is declared by Grant to be one of the chief reasons of the employers for maintaining an open shop.

Grant was appointed by the industrial relations commission as a special investigator into the controversy on which the report made public today is based.

RECORD OAT YIELD.

Covallia, Ore., Aug. 30.—The oat yield record of the state for this season is believed today to be held by Walter N. Locke, who threshed 1134 bushels of the cereal from 1945 acres. This is an average of 108 bushels to the acre.

CARRANZA'S REPLY EXPECTED TOMORROW

Believed First Chief Now In Mexico City—Rumor Villa Assassinated

Washington, Aug. 30.—General Carranza is now believed to be in Mexico City. With the transfer of the "first chief's" headquarters from Vera Cruz to the capital, the junta here expected his reply to the Pan-American peace proposals to reach Washington by tomorrow. It is believed Carranza will reject the peace plan. General Zapata's acquiescence in the plan of Secretary Lansing and the South American envoys is not surprising, in view of the fact that General Villa, his ally, has consented to a peace conference. General Scott is expected to arrive here late this afternoon with a report of his conference with Villa, but whether he will be sent to Mexico City in an effort to win over Carranza has not yet been decided.

A delayed dispatch to the state department from Special Agent John Silliman, today reported that B. F. Wells, an American and auditor of the Tabasco Plantation company, was killed by bandits who recently attacked a train in Mexico.

At the Villista agency here, it was claimed the fall of Monterey is imminent.

Will Quit Governorship.

Nogales, Ariz., Aug. 30.—It is authoritatively stated today Governor Maytorena will quit the governorship of Sonora on September 15 and take the Villa vice consulship at Tucson. Licencio Alberto Morales, present counselor to the Maytorena government, will be appointed governor. General Angeles is expected to assume command of the Villa military forces in Sonora and Sinaloa.

Rumor of Rupture.

Washington, Aug. 30.—Reports that President Wilson and Colonel E. M. House, his personal friend and advisor, have broken were characterized as nonsense at the White House today. The reports said the president and Colonel House had broken over the question of recognizing General Carranza.

Carranza Raiders Active.

Nogales, Ariz., Aug. 30.—Carranza raiders from the Calles camp near Santa Barbara, Mexico, "rusted" and drove over the international boundary 160 head of horses and cattle from ranchers on the American side 15 miles east of here early today.

No Confirmation.

Washington, Aug. 30.—The state department has received no word that would lend credence to the Nogales rumors that General Villa had been assassinated. The Villista agency declared the rumors unfounded.

House Won't Talk.

Manchester, N. H., Aug. 30.—"Interesting if true," was the comment of Colonel House here today on the report that he had broken with President Wilson. Colonel House would not discuss the report.

Disorder at Cape Taitien.

Washington, Aug. 30.—There were some disorders at Cape Haitien Saturday night, but order was later restored. Admiral Caperton reported to the navy department today.

Say Villa Assassinated.

Nogales, Ariz., Aug. 30.—A rumor that General Villa had been assassinated today caused Villa currency to reach a new low mark. It was quoted at 110 and 119.

STEAMSHIP SUNK AT SEATTLE DOCK

Dense Pall of Smoke and Fog Probable Cause of Disaster —One Dead

Seattle, Wash., Aug. 30.—Seattle officials of the United States steamboat inspection service are preparing today to investigate the sinking of the steamship Admiral Watson, of the Pacific Alaska Navigation company, by the Pacific Coast Steamship company's steam freighter Paraiso, at the Bell street dock here, early Sunday, resulting in the death of C. Kilroe, a longshoreman, who was struck by a falling beam.

Pilot Andrew Bjorkland, in charge of the Paraiso, who was feeling his way through a dense pall of smoke and fog, and who was holding his course to shore that he passed within a few feet of pier ends, will, it is believed, be subjected to a grilling examination. After ramming the Watson, he proceeded to his destination, unaware of the damage.

Damage estimated at between \$25,000 and \$50,000 was inflicted on the Admiral Watson. A hole 18 feet long was torn in her starboard bow.

When the crash came, Captain M. M. Jensen, master of the Watson, ordered the stern lines cast off, and he rapidly

(Continued on Page Five.)

RUSSIAN ARMY IN DIRE STRAITS; MAY BE CUT OFF

Berlin Report Asserts Three Hundred Thousand May Be Taken

Berlin, via London, Aug. 30.—Three hundred thousand Russians are in grave danger of being cut completely off from the Slav armies of the north by the new Austro-German offensive on the southern front.

The right wing of the main army of Grand Duke Nicholas is now being heavily attacked by flying cavalry detachments and Austrian infantry, while combined Austrian and German forces are smashing at the Slav line between Kovel and Lusk, threatening to turn the Russian flank.

While these operations are in progress, the Russians in Galicia are being assailed. They are being driven back upon a line running southward from Brody through Ternopol. This will drive the Slavs to the easternmost boundary of Galicia and would the Tonic attacks between Kovel and Lusk be successful the Galician army will be cut off from the main bodies to the north. East of Brzezany the pursuit of the Russians is being pressed to the utmost and the Austrians are now approaching the Strypa river, Vienna reports declare.

French Blow Up Trenches.

Around Brest-Litovsk and before Vin, on the north, the retreat of the Russians continued. Field Marshal Von Hindenburg is pressing his attack on the northern end of the battle line and only in the Courland region is any great resistance being encountered.

The Bavarians of Prince Leopold are pushing through the forest north of Brest-Litovsk within 10 miles of the railway leading to Minsk and are moving rapidly eastward over the Prushany road.

Paris, Aug. 30.—Whole sections of German trenches were blown up by French artillery and mines during heavy attacks directed against the enemy lines last night.

The most severe attacks made by the French guns were between Courchesmes, Mourmes and Bolante, the war office announced today. While artillery was tearing up sections of trenches, mines were exploded under others, and heavy losses were then inflicted on the Germans by grenade attacks, the official communique declared.

No important infantry engagements were reported.

German Capture Lipsk.

Berlin, via wireless to London, Aug. 30.—Closing in upon Grodno, the last stronghold held by the Russians on the Brest-Litovsk line, German forces have captured the city of Lipsk, but 20 miles from the Grodno forts, it was announced today.

A second German force is approaching Grodno from the southwest and the evacuation of the fortress is expected before the end of the week.

General Von Beecher, hero of Antwerp and the conqueror of Novo Georgiewsk, has been transferred from command of a section of the German center to the Riga region, the war office let it become known today. The first announcement of General Von Beecher's operations on the northern front stated that his forces had surrounded the bridgehead at Friederichstadt.

The German forces have forced a retirement of the Russians from the tributary of Wilna and crossed the Sukolka river, the official statement said.

East and southeast of Brest-Litovsk the Slavs attempted to halt the advance of Field Marshal Von Mackensen. There was sharp fighting yesterday south of Kobrin, but the Russians were defeated and continued to retreat today.

General Von Woytscher's forces ejected the enemy from Suchopol and Sierosow.

Russian Coalition Cabinet.

Petrograd, Aug. 30.—Formation of a coalition cabinet to control the government during the remainder of the war was urged at a great mass meeting in Moscow. Members of the duma and representative leaders of all factions organized the meeting, dispatches here today declared. A resolution was adopted urging continuance of the war regardless of cost.

Steamer Is Sunk.

London, Aug. 30.—The British or Sir William Stephenson's tons, has been sunk by a German submarine, it was learned today from the first British ship reported sunk in service.